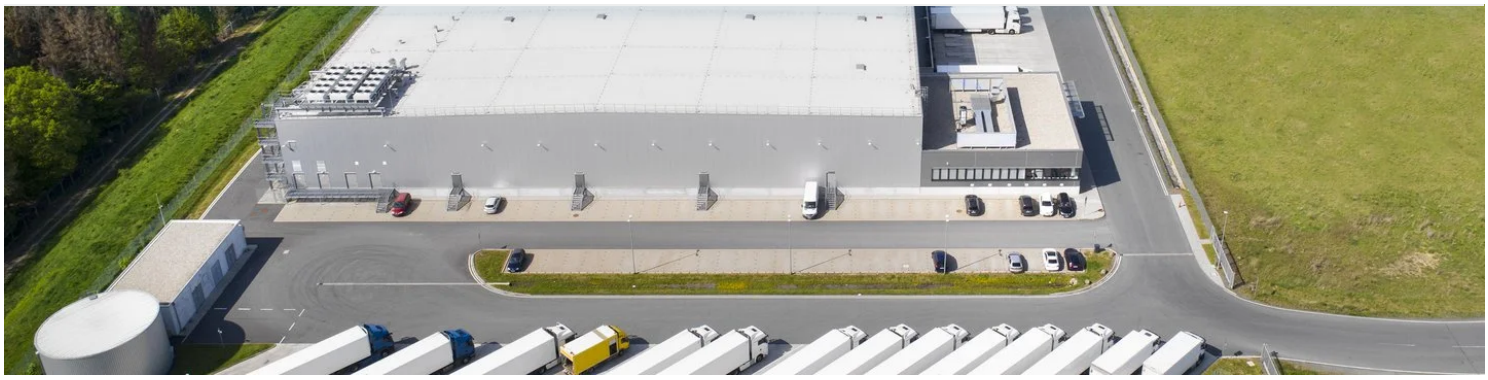
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This Labor Shortage Is Hitting Retail and Restaurants Hard

[Updated: Oct 29, 2021] Oct 29, 2021 by **Nell McPherson**

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Retail and restaurants are two real estate sectors that suffered terribly at the height of the pandemic. Between forced lockdowns and fear, many shopped exclusively online and only used restaurants for takeout.

The good news is that so far, it looks like consumer demand this holiday season will be way up compared to last year. So the problem now is making sure customers and diners will be able to get what they want.

Supply-chain issues are a pretty hot topic in commercial real estate right now. We've discussed how retailers are finding creative ways around some of the chaos, such as leasing cargo ships and planes and buying their own shipping containers. We've also covered labor shortages in both restaurants and retail as well as the potential impact of labor disputes.

But there's another labor problem that's becoming a huge issue for both retail and restaurants: the truck driver shortage. Let's take a look at just how big of a deal this is and explore some of the causes and potential solutions.

On the road

According to CNN Business, America is now 80,000 truck drivers short of where we need to be to move these products efficiently. So it's pretty bad. The pandemic is not entirely to blame but has essentially magnified and exacerbated a long-standing problem. The industry was already short 61,500 drivers before the pandemic even began.

For many drivers who could already see retirement just around the bend, the pandemic surely seemed like a great time to just go ahead and retire. That, combined with increased consumer demand, only made the shortage worse.

A lack of drivers to haul freight from ships and planes to their destinations is a huge part of the current backlog. And if retailers can't get items on their shelves and restaurants can't get the food items they need, it hardly matters how much consumers are willing to spend. Even scarier is the fact that the driver shortage could double by 2030 if nothing changes.

As an increasing number of drivers retire, the industry is looking to America's youth. The average age of a truck driver is currently 48. Incentives to attract more drivers to the industry right now include signing bonuses of thousands of dollars and free training programs.

Fortunately, this problem is not going unnoticed. The infrastructure bill currently in Congress includes workforce development for the trucking industry. This would allow 3,000 drivers aged 18 to 20 to be trained and drive tractor-trailers across state lines, something drivers must now be 21 to do. A handful of high schools across the country have already begun providing truck driver training programs to their students in anticipation of this change.

The Millionacres bottom line

From lockdowns to labor shortages to changing consumer habits that were already emerging before the pandemic, retailers and restaurants have faced so many challenges over the last couple of years. Now, they both face the possibility of being unable to serve customers who are ready and willing to pay up.

The truck driver shortage is a huge part of the supply-chain problem threatening both sectors right now. A lack of young adults entering the industry predates the pandemic and appears to be at the heart of the issue. New legislation and training programs, combined with financial incentives and a splash of diversity, could help save the trucking industry, brightening the road ahead for retail, restaurants, and investors in the process.

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